

STATE OF MONTANA COMPLIANCE SUPPLEMENT FOR AUDITS OF LOCAL GOVERNMENT ENTITIES	REF: CNTY-3
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PROGRAM/SUBJECT: Counties - Revenues/Receipts	

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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

REVENUES/RECEIPTS COMMONLY RECEIVED:

1. Compliance Requirement:

- Following is a schedule of revenues/receipts commonly received by counties, along with the source and required distribution and/or use of the revenues/receipts. In addition, the section of the Montana Code Annotated (MCA) or other authorization [such as the Administrative Rules of Montana (ARM)] that is applicable has been noted. For certain revenues/receipts that are distributed to the counties by State agencies, a cross-reference to the specific section of the *Montana Compliance Supplement* dealing with that revenue or program has been provided. More detailed information can be found in that section. (**Note:** See CNTY-16, “County Collection and Remittance of Revenues for the State and Other Governmental Entities” for narrative describing the county treasurer’s role in collecting revenues for incorporated cities and towns, school districts, special purpose districts, and the State of Montana.)

Suggested Audit Procedures:

- As part of the general testing of the county’s revenues/receipts, and for other selected revenues/ receipts as determined by the auditor, verify that revenues/receipts are distributed to the various funds and taxing jurisdictions in accordance with the schedule below.
- As part of the testing of general expenditures, and for other selected revenue sources or receipts, verify that expenditures, disbursements, or distributions made from those revenue sources or receipts are for the purposes stated in the schedule below.
- For revenues/receipts that are received on a fixed periodic basis (monthly, quarterly, annually), determine that the proper number of payments were recorded during the fiscal year.

COLLECTIONS REMITTED TO THE STATE:

2. Compliance Requirement:

- Included in the following schedule of revenues/receipts are collections made by county treasurers which are to be remitted, in part or in whole, to the State. Non-Motor Vehicle Collections are reported on the State remittance form “County Collection Report to the Department of Revenue”. Motor Vehicle Collections are reported on the State remittance form “County Collection Report to the Department of Justice, Motor Vehicle Division”. These collections include motor vehicle fees & taxes, as well as fees collected for drivers’ licenses.

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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

COLLECTIONS REMITTED TO THE STATE continued:

2. Compliance Requirement - continued:

- These remittances are required to be made monthly, by the 20th of the month for collections made during the preceding month, except as follows for Department of Revenue reports (MCA 15-1-504):
 - By June 20, the county treasurer shall remit an estimate of all money belonging to the state that was collected by June 15, in addition to the amount collected during May.
 - By July 15, the county treasurer shall remit all money collected during the remainder of June.]
 (MCA 15-1-504)
- Counties may be assessed an interest charge of 10% a year on all money not remitted by the required time. (MCA 15-1-504)

Suggested Audit Procedure:

- Obtain copies of selected monthly “County Collection Reports”. Test selected revenues/receipts and the related remittances to the State to ensure that they are in accordance with State statutes.

3. Compliance Requirements:

- The county treasurer is required to invest, within three working days of receipt, money received from the following sources.
 - (a) the basic county tax for elementary equalization (33 mills)(BARS Fund No.7529);
 - (b) the basic county tax for high school equalization (22 mills) (BARS Fund No. 7531);
 - (c) the county tax levy in support of the transportation schedules (BARS Fund No. 7820); and
 - (d) the county tax levy in support of the elementary and high school district retirement obligations (BARS Fund Nos. 7840 & 7830, respectively).
 (MCA 20-9-212(12))
- The money must be invested until the working day before it is required to be distributed to school districts within the county or remitted to the State. All investment income must be deposited proportionately in the funds established to account for the taxes received. (MCA 20-9-212(12)) (**Note:** Investment income from these sources should be reported on OPI’s Form FP-6b, “County Treasurer’s Report of County Wide School Funds” as a “Non-Tax Source”.)

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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

COLLECTIONS REMITTED TO THE STATE continued:

3. Compliance Requirement - continued:

- The county treasurer is required to remit the interest earned on the basic county tax for elementary education (33 mills) and the basic county tax for high school equalization (22 mills) to the State on a monthly basis. This interest is to be reported as “Elementary Equalization (33 Mills) - Non-Levy Revenue” (BARS Fund No. 7530) and “High School Equalization (22 Mills) - Non-Levy Revenue” (BARS Fund No. 7532) on the State remittance form. (MCA 20-9-212(13))
- If the 33 mill basic county tax for elementary equalization or the 22 mill basic county tax for high school equalization and state BASE funding program support, and other revenues prescribed by MCA 20-9-331 and 20-9-333, produce more revenue than is required to repay a state advance for county equalization, the county treasurer shall remit the surplus funds to the Department of Revenue immediately upon occurrence of the surplus balance and each subsequent month thereafter. The final remittance is due no later than June 20 of the fiscal year for which the levy has been set. (MCA 20-9-331(1)(b) and 20-9-333(1)(b))

Suggested Audit Procedures:

- Verify that the county treasurer has invested money received from the sources listed above within three working days of receipt. Verify that interest earnings are allocated proportionately to each of these funds, and that interest earned on equalization moneys is remitted to the State as required.
- Determine whether the 33 mill and 22 mill levies and other revenue sources referenced above are in excess of the amount required to repay a state advance for county equalization. If so determine that excess amounts collected are remitted to the state immediately and that the final remittance is made no later than June 20.

LOCAL CHARGES FOR SERVICES FUND:

(Note to Auditor: MCA 17-2-302(3) states that an audit performed by the independent auditor pursuant to Title 2, Chapter 7, Part 5, MCA, (Montana Single Audit Act) shall include a determination of whether money is or has been retained in a local charge for services fund contrary to the requirements of MCA 17-2-302 or 17-2-303.)

4. Compliance Requirements:

- “Charge for services” or “charge,” as defined by MCA 17-2-301(3), means a fee, charge, levy, or other assessment that is established by local government entity ordinance, and that is charged by the local government entity to a user of a service provided by the local government entity; that is charged by the local government

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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

LOCAL CHARGES FOR SERVICES FUND - continued:

4. Compliance Requirements - continued:

- entity in exchange for a license, permit, or other type of grant of authority by the local government entity; or collected exclusively to provide promotional or marketing services to the person on whom the charge is levied and that is not assessed or collected pursuant to MCA Title 15. MCA 17-2-301(6) states that a “local charge for services fund” or “local fund” is an accounting fund maintained by a local government entity for which the exclusive source of revenue is one or more charges for services or interest or other income on the fund.
- A county that deposits money into a local charge for services fund may not maintain a cash balance in the fund greater than twice the annual appropriation for that year from the fund. (MCA 17-2-302(1)) (**Note:** For purposes of this restriction, the term “charges for services” or “charge” includes a fee, charge, levy, or assessment established as provided in MCA 17-2-301(3)(a) (See preceding compliance requirement.) and a fee, charge, levy, or other assessment established by statute.) (MCA 17-2-301(3)(b))
- This limitation may be exceeded due to an emergency, a special or unusual circumstance, or a fluctuation in the service, function, or charges for services of the entity. (MCA 17-2-302(2)) (**Note:** See MCA 17-2-302(2) for procedures to be followed if the cash balance for a local charge for services fund is in excess of twice the annual appropriation and one of the noted exceptions apply.)
- Except as otherwise provided in MCA 17-2-301(3)(b), this limitation does not apply to: (1) a charge for services made by one county to another local government entity; (2) a local charge for services fund used only for replacement of buildings or to pay the costs of other future capital projects; (3) a fee, charge, tax, levy, or other assessment the amount of which is established by statute; and (4) charges for services deposited in accordance with law into a debt service or bond reserve fund or the county general fund. (MCA 17-2-302(4))
- A county that maintains a cash balance in excess of this limitation in 17-2-302(1) for more than 60 days shall, within 120 days after the end of the 60-day period, reduce the charge for services or, in the case of a local fund into which two or more charges for services are deposited, reduce one or more charges for services specified by the county until the cash balance in the local fund complies with the limitation. (MCA 17-2-303)

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COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES:

LOCAL CHARGES FOR SERVICES FUND - continued:

4. Suggested Audit Procedure:

- If the county has “charges for services” and has established a “local charge for services fund,” as defined above, review the month-end balances of the fund during the audit period. Review the county’s budget document and determine the annual appropriation for the local charge for services fund. Compare the month-end cash balances of the fund to twice the annual appropriation amount. If any of the month-end balances exceed twice the annual appropriation amount, determine the length of time for which the excess balance was maintained. If more than 60 days, verify that the county reduced the charge for services within 120 days after the end of the 60-day period.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS	
Note: MCA 7-6-2207 provides that, “Except for nontax revenue earmarked for a specific fund, the county treasurer may deposit in the general fund any nontax revenue of \$25 or less received by the county.”	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues	
Department of Administration	
9-1-1 Emergency Telecommunications Allocation 10-4-302 & 303 (basic) 10-4-311 & 312 (enhanced) 10-4-313 (wireless enhanced) – Effective July 1, 2007	Quarterly payments. May be deposited to General Fund or BARS Fund No. 2850. Allocation may be used only to pay for installing, operating and improving a basic or enhanced 9-1-1 emergency telephone system. The Public Safety Services Bureau of DOA performs extensive monitoring procedures on these 9-1-1 allocations. See their website at: http://pssb.mt.gov
Taylor Grazing Act 17-3-221 & 222 (NOTE: These monies are not subject to the single audit provisions of OMB Circular A-133)	All monies received by the County to be credited to the County General Fund. (50% of the monies received by the State deposited directly to the state general fund to be used for the elementary BASE funding programs of school districts in the county.)
Workers’ Compensation Dividends 39-71-2323	Prorated to participating funds
State Contributions to Pension Trust Funds for Members Employed by Local Government Entities and School Districts (On- Behalf Payments) PERS – 19-3-316 & 319 - .10%* MPORS – 19-9-702 – 29.37%* FURS – 19-13-604 – 32.61%* TRS – 19-20-604 - .11%* *Note: Percentage noted is of members’ compensation.	These payments are not made to local governments but are instead made directly by the State to the listed Statewide pension funds. These payments are considered “on-behalf payments for fringe benefits” under the provisions of GASB Statement No. 24, and should be recorded by the county as revenues and expenditures/expenses. They should be prorated to participating funds that incur these payroll expenses. (Note: Journal entry only – revenues equal expenditures/expenses.) For additional information on these retirement systems, see Compliance Supplement CNTY-7.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Administration – continued:	
<p>Forest Reserve (Schools and Roads - Grants to States) Funds and Public Law 106-393 Funds, plus all interest earned on those funds (<i>See ADM-1</i>) 17-3-211 – 213; PL 106-393</p> <p>Effective 7/1/2007 , the administration of this program was transferred from the State Auditor’s Office to the Department of Administration</p> <p>See MACo’s website at http://maco.cog.mt.us/ (click on Fiscal Information and Forms, then “Federal”) for information related to the Federal Forest Reserve program.</p>	<p>The commissioners shall choose among the following payment options to determine how the Forest Reserve Funds and Public Law (PL) 106-393 Funds apportioned to each county must be distributed:</p> <ol style="list-style-type: none"> 1. “25% Payment” - funds received must be distributed: 66 2/3% to County Road Fund 33 1/3% to the following countywide school levies: county elementary equalization (20-9-331 - BARS Fund No. 7530), county HS equalization (20-9-333 - BARS Fund No. 7532), county transportation (20-10-146 - BARS Fund No. 7820), elementary & HS retirement (20-9-501 - BARS Fund No. 7840 & 7830). 2. “Full payment” – (NOTE: All eligible Montana counties have chosen this option.) 80% to 85% must be distributed as provided in Option 1 above. The balance (15% to 20%) may be allocated in one, or a combination, of the following options: <ol style="list-style-type: none"> a. Title II Projects – Reserved by the Federal government, and remitted on a reimbursement basis for allowable projects. b. Title III County Projects - Held by the county and used for allowable projects. c. Reserve for projects in both Title II and Title III. d. Balance returned to the federal government. 3. If the “full payment” is less than \$100,000 - the county may elect to distribute up to 100% of the payment as provided in Option 1 above.
<p>Land Information Grants 90-1-410</p>	<p>Local governments may apply to the Department of Administration for funds to be used for the purposes of collecting, maintaining, or disseminating land information, including purchasing technology to assist in these purposes.</p> <p>(BARS Fund No. 2859, Revenue Code #334065 & Expenditure Code #411060)</p>

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Administration – continued:	
Mineral Impact – Allocation of Federal mineral leasing funds 17-3-240 & 241 30 U.S.C. 191 (Note: This is considered to be a federal revenue source, from the U.S. Department of Interior, BLM. However, these monies are not subject to the provisions of OMB Circular A-133)	These funds are allocated to eligible counties based on the proportion that the revenue generated by mineral extraction in a county bears to the total received by the State. (BARS Fund No. 2894, Revenue Code #332020)
Department of Agriculture	
Weed Management District Program Enhancement 80-7-705	Annual payment. To be deposited in the county noxious weed fund (BARS Fund #2140) and must be used to enhance noxious weed management programs.
Noxious Weed Management Grants <i>(See AGR-1)</i> 80-7-814 ARM 4.5.101 – 4.5.112	Entities apply for funding for noxious weed management projects. Grant proceeds deposited to county weed grant fund (BARS Fund #2840). Eligible uses of the funds, required matching, and required reporting are set forth in the grant document.
State Auditor’s Office	
Forest Reserve (Schools and Roads - Grants to States) Funds Effective 7/1/2007 , the administration of this program was transferred from the State Auditor’s Office to the Department of Administration. (See above)	

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Commerce	
Bed Tax Apportionment 15-65-111 15-65-121(1)(e)	To be distributed to the nonprofit convention and visitors bureau. (Note: Applies to those cities, consolidated city-county governments, resort areas, and resort area districts which have a recognized nonprofit convention & visitors' bureau and an annual marketing plan approved by the Tourism Advisory Council.)
Big Sky Economic Development Grants 90-1-203 & 204 ARM 8.99.901 - .916	Uses of these funds include but are not limited to (1) a reduction in the interest rate of a commercial loan for the expansion of a basic sector company; (2) a grant or low-interest loan for relocation expenses for a basic sector company; and (3) rental assistance or lease buy-downs for a relocation or expansion project for a basic sector company. Grants are distributed to local governments based upon the number of jobs expected to be created because of the funding. Equal matching funds are required. Effective 7/1/2007 , the DOC is required to provide greater incentives for high-poverty counties, including lower matching requirements and higher grant amounts. BARS revenue code 334075.
Coal Impact Grants 90-6-201 – 209 ARM 8.101.301 – .306 Distributed by the Coal Board.	Entities apply for grant funding to provide governmental services that are needed as a direct consequence of an increase or decrease of coal development or in the consumption of coal by a coal-using energy complex. Eligible uses of the funds are set forth in the grant document.
Hard-Rock Mining Impact Trust Account - Funds Transfer (<i>See COM-3</i>) 90-6-331 7-6-2225	To be deposited in the County Hard-Rock Mine Trust Fund (formerly the Hard-Rock Mine Trust Reserve Fund) (BARS Fund No. 2895). Must be held until mine closure or a significant workforce reduction. The county must then allocate at least 1/3 of the funds proportionally to affected high school districts and elementary school districts in the county. The remaining funds may be used by the county for the purposes specified in Section 7-6-2225(3), MCA.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues – continued:	
Department of Commerce – continued:	
Treasure State Endowment Program (TSEP) (See COM-6) 90-6-701 – 715 ARM Title 8, Chapter 94, Subchapter 38	Matching grants for construction projects and for preliminary engineering studies. Non-matching emergency grants also. Grant funds disbursed on a reimbursement basis.
Department of Environmental Quality	
Underground Storage Tank (UST) Program: Reimbursements and Grants 75-11-213 ARM 17.56.1002-.1004	Grants are to be used only for equipment purchases or personnel training related to the UST inspection program. Reimbursements are made on a quarterly basis at a rate of \$35/hour. Both grants and reimbursements are deposited to the fund used to pay costs of inspection and enforcement services – usually BARS Fund #2815.
Junk Vehicle Program Payments 75-10-534 ARM 17-50-216 Payments = \$1.25/vehicle licensed in county; minimum annual payment = \$6,250. Effective 7/1/2007, payments increased to \$1.40/vehicle; minimum annual payment of \$7,500.	Must be used for the county's junk vehicle collection and graveyard expenditures, per the county's DEQ-approved budget. The statutes do not specify a specific fund - generally accounted for in the Junk Vehicle Fund (BARS Fund #2830) or the County General Fund. Per DEQ policy statement, any unexpended grant funds may be put into a formally adopted capital improvement program. Fiscal year budgets must be spent or encumbered by June 30. Unexpended, unencumbered funds must be returned to DEQ, either directly or through a reduction of the following year's budget.
Subdivision Reviews – State Reimbursement 76-4-104 & 105 ARM 17.36.804	Quarterly reimbursements. Deposit to County General Fund used to pay costs of subdivision reviews.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues – continued:	
Department of Fish, Wildlife & Parks	
Fish, Wildlife & Parks – Payments in Lieu of Taxes 87-1-603 & 604	Allocated to school districts in the county that contains FWP department lands, and/or the county General Fund, at the discretion of the county commissioners.
Boating Improvement Grants 23-2-533 15-1-122(3)(c)	This funding is to be used for boat ramps, latrines, boat trailer parking areas, docks and related facilities of direct benefit to boaters. The grants are FWP funds (all State funding from motorboat fees in lieu of taxes) and require a 20% local government match.
Department of Justice	
Live Card Game Table Permit Fees 23-5-306	No specific fund or use is designated by statute. Statute states deposit to county treasury. Usually credited to general fund. May be used for any legitimate governmental purpose as determined by the governing body. Quarterly payment.
Gambling Machine Permit Fees 23-5-612	No specific fund or use is designated by statute. Statute states return to the local government jurisdiction in which the machine is located. Usually credited to general fund. May be used for any legitimate governmental purpose as determined by the governing body. Quarterly payment.
Bingo and Keno Tax Apportionment 23-5-409	No specific fund or use designated by statute. Statute refers to county treasury. Therefore, the General Fund would appear most appropriate.
Driver License Reinstatement Fees - Distribution to Counties 61-2-107 & 108	For counties with State-approved drinking & driving prevention programs. Must be expended for the county's drinking & driving prevention program. No specific fund designated by statute. Normally operated through a separate special revenue fund (BARS Fund No. 2811). Quarterly payment.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Military Affairs	
Search and Rescue 10-3-801	<p>To be used for:</p> <ul style="list-style-type: none"> • Reimbursement of costs of search and rescue missions conducted by county sheriff (Maximum of \$3,000 for each mission) - to be deposited to the fund from which original search and rescue expenditures were made. • Matching grants for equipment (35% local match) – to be deposited in Fund #2382 or other fund used for search and rescue purposes. • Reimbursement of expenses related to training of search and rescue volunteers - to be deposited to the fund from which original search and rescue expenditures were made. <p>(BARS Revenue Code # 335033 – Search & Rescue Funds)</p>
State Disaster & Emergency Program 10-3-311 & 10-3-405 ARM 34.3.101 - .202	Counties apply to the State for assistance, but only after levying an emergency levy of up to 2 mills. Statutes don't specify fund, but BARS Fund No. 2958 generally used. If federal (FEMA) funding involved, the state/local commitment for reimbursable costs will be set forth in the applicable FEMA/State Agreement.
Department of Public Health and Human Services	
Alcoholic Beverage Tax Apportionment 53-24-206 53-24-108	<p>Must be used for approved private or public programs pertaining to the problems of alcoholism and chemical dependency. The statutes do not specify a specific fund. Normally such programs are operated through a separate Alcohol Rehabilitation Fund (BARS Fund No. 2800) or the General Fund.</p> <p>(Note: Alcohol tax moneys received by a county that have not been encumbered for these purposes by June 30 must be returned to the State within 30 days after the close of each fiscal year.)</p>

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Public Health and Human Services - continued	
Child Support Incentive (cooperative agreement with county to provide enforcement services.) 40-5-264	No specific fund designated by statute. To General Fund or other fund from which county pays the child support enforcement related costs.
Department of Revenue	
Betonite Mining Production Tax 15-39-110 Effective April 28, 2005 Note: State law refers specifically to Carter and Carbon counties for this tax allocation.	Department of Revenue remits payments, to counties in which production occurred, twice a year - on or before October 1, and on or before April 1. To be distributed by counties in proportion to current fiscal year mill levies in the taxing jurisdictions in which production occurs, except a distribution may not be made for county levies for school equalization (Elementary 33 mills and HS 22 mills) and state levies (University 6 mills & State equalization 40 mills). BARS revenue code #335131
Business Equipment Tax Rate Reduction Reimbursement 15-1-112 Note: **June 2008 is the last time that county treasurers will be able to withhold this reimbursement on the state remittance form.	Dept. of Revenue determines reimbursement due. The reimbursement amount is progressively reduced each year by 10%, <u>until 2008 when this reimbursement is no longer made.</u> County treasurer withholds this amount as a deduction from Statewide Equalization Aid Levy (BARS Fund No. 7527) on the state remittance form**. (Note: The amount deducted from the Statewide Equalization Levy should also be noted, for informational purposes only, on a separate line at the end of the state remittance form.) 31% of the reimbursement is withheld from the December state remittance form and 69% is withheld from the June remittance form. -continued on next page-

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS – continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues – continued:	
Department of Revenue – continued:	
Business Equipment Tax Rate Reduction Reimbursement – continued: 15-1-112	The funds from the reduced payment to the State are distributed to county funds & other local government taxing jurisdictions in the same manner as taxes on property described in 15-6-138. Reimbursements are made twice a year- with the June reimbursement distributed based on the prior year’s mill levy and the December reimbursement distributed based on the current year’s mill levy. Local government taxing jurisdictions include the county, incorporated cities and towns, consolidated county and city governments, tax increment financing districts, local elementary and high school districts, local community college districts, miscellaneous districts, and special districts. The term includes countywide mills levied for equalization of school retirement or transportation. There is no distribution to county or state school equalization levies provided for in Sections 20-9-331, 333, and 360, MCA, or to the state vo-tech education levy in Section 20-25-439, MCA. A local government taxing jurisdiction that is created after January 1, 1996, will not be considered for revenue loss or reimbursement purposes.
Metalliferous Mines License Tax Apportionment (See <i>REV-7</i>) 15-37-117(1)(e) 7-6-2226	To be allocated by the county commissioners as follows: not less than 37.5% to the Hard-Rock Mine Trust Fund (BARS Fund No. 2895) established in Section 7-6-2225 & the remainder to be distributed 1/3 to the county to be used for general planning functions or economic development activities as described in 7-6-2225(3)(c) through (3)(e), 1/3 to elementary school districts within the county affected by the development or operation of the mine, and 1/3 to high school districts within the county affected by the development or operation of the mine. The county commissioners may establish a Metal Mines License Tax Fund (BARS Fund No. 2896) for the deposit of the money and may hold it in that fund until allocated. They may hold it for any period of time they consider appropriate.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues – continued:	
Department of Revenue – continued:	
Oil and Natural Gas Production Tax Distribution (See <i>REV-1</i>) 15-36-331 & 332	The Department of Revenue determines the taxes paid on oil and natural gas production in the taxing unit, and remits a specific percentage of those taxes on a quarterly basis to the counties. The county treasurer distributes these monies to the countywide elementary and high school retirement funds, countywide transportation funds, and eligible school districts according to the schedule prescribed in Section 15-36-332, MCA. (See <i>REV-1</i>) In addition, the Custer County treasurer and the Dawson County treasurer make distributions to the countywide community colleges in those counties. The remainder of the monies must be used for the exclusive use and benefit of the county, including districts within the county established by the county.
Oil, Gas and Coal Natural Resource Account Distribution 15-36-331(2)(b) & 15-36-332(8); 90-6-1001; 15-36-304(7); 15-35-108(7)	Portions of the coal severance tax and the tax on oil & gas production are deposited to an “oil, gas, and coal natural resource account” at the State. The Department of Revenue distributes this account, based on county oil and gas production, on a quarterly basis. One-third must be distributed to the county and two-thirds must be distributed to incorporated cities/towns within the county. If there is more than one incorporated city/town within the county, the city/town allocation must be distributed to the cities and towns based on their relative populations. The Department remits the county and city/town portions directly to the county and city/towns. Quarterly distributions are on or before August 1, November 1, February 1, and May 1 of each year. No specific fund distribution – discretionary. BARS Revenue Code #335065

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Revenue – continued:	
Personal Property Tax Reimbursement 15-1-111 Note: **May 2008 will be the last payment for this reimbursement program.	County must distribute funds received from Department of Revenue to each taxing jurisdiction as calculated by the Department. (No distribution is made to county or state school equalization levies authorized at 15-10-107 (university), 20-9-331 (elementary equalization), 20-9-333 (HS equalization), 20-9-360 (state equalization), 20-25-423 (university), and 20-25-439 (vo-tech).) Funds retained by the county must be distributed to all funds with tax levies based on current year mill levies on personal property. Distributed twice a year – 50% on or before November 30 and the remaining 50% on or before May 31. (Note: For tax year 1999 through tax year 2008**, the Department of Revenue shall remit to the county treasurer of each county the same amount remitted to the county treasurer for the fiscal year 1991, progressively reduced by 10% of the 1991 amount each year. (i.e., 1999 - 90%, 2000 - 80%, etc.))
Entitlement Share Payment 15-1-121 See MACo's website at http://maco.cog.mt.us/ (click on Fiscal Information and Forms) for a listing of entitlement share payments by county. (Note: Tax increment financing districts do not receive this entitlement payment, but instead receive an entitlement block grant (see below)).	Payment made quarterly. DOR will determine the amount of each county's base year component, based on the loss of various FY 2001 revenue sources and cost savings resulting from the State assumption of district court and welfare costs. This base year component increases each fiscal year by a specific growth rate determined by the DOR. The county must allocate a portion of this payment to each fund and special district within the county, in a manner that reasonably reflects each fund's and special district's loss of FY 2001 revenue sources. It appears that the governing body may use its discretion in this allocation. (Note: Before applying the growth rate, DOR will subtract an amount for the state-assumed public defender program. It would seem logical that this "SB 146" reduction in revenue should first be applied to the fund that the County previously used to pay public defender services for district court, <i>before</i> allocating the payment to each fund and special district.)

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Revenue – continued:	
Reimbursement Payment 15-1-113 Repealed During 2007 Legislature	The Department of Revenue will determine the amount of fee in lieu of property tax lost by each local government as a result of the 2001 Legislature's amendments to Section 61-3-529 (i.e., Fees in lieu of taxes for buses, trucks less than 1 ton, & truck tractors). The reimbursements due each government are specified in 15-1-113(3). Quarterly payments will be paid on or before September 30, December 31, March 31, and June 30 of each year. (Note: These payments are distributed as part of the Entitlement Share Payments discussed above. There are no separate quarterly payments remitted for this reimbursement payment.)
Entitlement Block Grant 15-1-121(4) & (6) (Only applicable for tax increment financing districts, and only for those districts in existence during FY 2000. If a tax increment financing district terminates, then the block grant terminates.)	See discussion above for entitlement payments. Payments for each tax increment financing district are itemized in Section 15-1-121(6), MCA. One-half the payments are made by November 30 and one-half by May 31 of each year. (Note: Effective FY2006, industrial tax increment financing districts no longer receive entitlement shares.)
County Assessor - Reimbursement of 1/2 Wages & Benefits When Department Contracts with County Title 15, Ch. 8, Part 1 (Compiler's Comments- Sec. 162, Chapter 27, Special Legislative Session. Nov. 1993) (Note: Applicable only for Granite, Powell, and Butte-Silver Bow counties. Petroleum County also is on a similar contract, but the reimbursement may be other than ½. All other county assessors are State employees.)	The Department of Revenue may, with the consent of the assessor, contract with the county for the assessor to perform assessment work as assigned by the Dept. Under this contract, the County sends a bill to the Dept. and the Dept. shall reimburse the county, in one lump sum, for 1/2 of the wages & benefits of the assessor. No statute for specific distribution of reimbursement. Should go to county General Fund since assessor is paid from that fund.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Supreme Court (Office of Court Administrator)	
District Court Reimbursement 3-5-901 & 902	<p>No specific fund designated by statute. To District Court Fund (General Fund if there is no district court fund) or other fund from which expenses are originally paid.</p> <p>The State (Office of the Court Administrator, Judicial branch) funds all district court costs, except costs for clerks of district court and employees and expenses of those offices, including the costs of providing and maintaining district court office space. If a cost isn't paid directly by the State, the county will pay the cost and the State will reimburse the county.</p>
Department of Transportation	
Gas Tax <i>(See TRAN-1)</i> 15-70-101 See MACo's website at http://maco.cog.mt.us/ (click on Fiscal Information and Forms, then "Federal") for a listing of fuel tax allocations by county.	Monthly payment. May be deposited to a separate Gas Tax special revenue fund (BARS Fund #2820) or to the County Road Fund. To be used for construction, reconstruction, maintenance, and repair of roads, streets and alleys; or for the matching of federal funds allocated for such purposes. May not be used for capital expenditures (see exception at TRAN-1). Bidding requirements for contracts in excess of \$25,000.
State Aeronautics Grants and Loans 67-1-301 – 307 ARM 18.13.401 - .408 (Also applicable to airport authorities)	Cost-sharing grants and low interest loans to be utilized specifically for aviation or aeronautically related projects.
State Aid to Transportation 7-14-102	County Road Fund or other fund. Must be used for highway or other transportation purposes.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
State Revenues - continued:	
Department of Transportation – continued:	
Transportation Services for Senior Citizens and Persons with Disabilities Grant 7-14-112	For transportation services for persons 60 years of age or older and for persons with disabilities. No specific BARS fund designated. We suggest a separate accounting within Senior Citizens Fund (Fund # 2280) or Senior Citizens Transportation Fund (Fund # 2281).
Courtesy Car Services Grant 67-10-904	This grant may be received by local governments for courtesy cars at certain Montana airports where rental cars or taxicabs are not available. The courtesy car may be used only between the airport and the local trading or recreation area, and may not be used across the state line or beyond the local trading or recreation area. The county may procure a sponsor and assign the sponsor to a qualified airport to manage the county's courtesy car program. A sponsor may be a fixed base operator, an airport manager, or other responsible party.
State and Federal Grants and Loans	
<p>State grants and loans and selected Federal grants and loans that are passed through State agencies are included above. More detailed information for <u>selected State programs or Federal programs passed through the State</u> can be found indexed under the following specific State Agency tabs:</p> <p> Building Code Enforcement Program: L&I-1 Community Development Block Grant (CDBG) [CFDA #14.228]: COM-5 Forest Reserve [CFDA #10.665]: ADM-1 Gasoline Tax Apportionment: TRAN-1 Hard Rock Mining Impact Trust Account: COM-3 HOME Program [CFDA #14.239]: COM-4 Metalliferous Mines License Tax: REV-7 Noxious Weed Management Grant: AGR-1 Oil & Natural Gas Production Tax Distribution: REV-1 Treasure State Endowment Program (TSEP): COM-6 </p> <p><u>Federal grants and loans that are made directly</u> to the local governments are not included in this <i>Compliance Supplement</i>. Please refer to the <i>OMB Circular A-133 Compliance Supplement</i> for compliance requirements and suggested audit procedures for Federal grants and loans. (http://www.whitehouse.gov/OMB/grants/grants_circulars.html)</p>	

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Airport fees, rentals, etc. 67-10-404	Airport Fund
Ambulance Charges 7-34-103	The statute authorizes the establishment of fees or charges. No specific fund is designated by statute. Normally deposited to Ambulance Fund if established. If not, to general fund or other fund which is used to pay ambulance related expenditures.
Animal Licenses and Fines (Note: Except those collected by a justice court) 7-23-101 7-23-105	No specific fund designated by statute. To General Fund or other fund from which county pays animal control related costs. (Note: If fines are collected in Justice of Peace Court - See general disposition at "Justice of Peace - Fines, Penalties, Forfeitures & Assessments of Costs" below.)
Board of Prisoners - (For prisoners in a detention facility that were arrested by another agency not responsible for the facility) 7-32-2242	No specific fund designated by statute. Normally would be deposited to the county General Fund, since that is the fund that pays the cost of operating the county detention center. The rate should be agreed upon by the county and the arresting agency, and should cover the reasonable costs of confinement, excluding capital construction costs, except as provided in Sections 7-32-2245 (payments of costs by inmate). Other exceptions at 7-32-2242(2)(b), MCA.
Bonds – Sale of: Proceeds – GO Bonds 7-7-2260 Proceeds – RSID Bonds 7-12-2173 Proceeds – GO Refunding Bonds 7-7-2312 Accrued Interest/Premium 7-7-2112	Construction Fund (Statute says bonds to be used for the purpose for which bonds were issued.) Construction Fund Deposit to fund used to pay the refunded bonds. Sinking and interest (debt service) fund

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS – continued:	
Source and Statute, Rule or Regulation	
Local and Other Collections	
<p>Building Code Permit Fees (for those counties having a state-certified building code enforcement program) (See L & I –I) 50-60-106 & 50-60-302 ARM 24.301.201 – 24.301.231</p> <p>Effective 7/1/2007: If the building code enforcement program is subject to an agreed-upon procedures engagement, there is a mandatory format to be followed.</p>	<p>No specific fund designated by statute (May use BARS Fund No. 2394 or General Fund). May only be used for those costs related to building code enforcement activities as defined in the statutes and ARM's. The county must maintain adequate records to document that permit fees are used only for those costs related to building code enforcement activities. Excess fees may be placed in a reserve to be used in subsequent years. Reserve may be used only for building code enforcement, and may not exceed the amount needed to support the enforcement program for 12 months. Fees must be reduced if necessary to avoid creation of excess reserve.</p>
<p>Business (“Z”) Licenses 7-21-2105 including: Itinerant Vendors- \$15/90 days 7-21-2303 Transient Retail Merchants 7-21-2404 - \$5/week Hucksters - \$15/6 months 7-21-2503</p>	<p>To be used for any county purpose. No specific fund is designated by statute.</p>
<p>Charges for services deposited to a local charge for services fund 17-2-301 to 304</p> <p>Note: These statutes apply only to counties, cities, consolidated governments, and towns.</p>	<p>No specific fund is designated by statute. The statutory requirements apply to “charges for services” or “charges” deposited to a “local charge for services fund” or “local fund.”</p> <p>The statutes define “charge for service” or “charge” as a fee, charge, levy, or other assessment that is established by local government entity ordinance and that is charged by the local government entity to a user of a service provided by the local government entity or charged by the local government entity in exchange for a license, permit, or other type of grant of authority by the local government entity.</p> <p>-continued on next page-</p>

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
<p>Charges for services deposited to a local charge for services fund - continued</p> <p>*****</p> <p style="text-align: center;">IMPORTANT ▼ INFORMATION ▼</p> <p>*****</p> <p>(Note: 17-2-302(3), MCA, states that an independent auditor conducting an audit of a county, city, town, or consolidated government <u>shall include</u> in the audit a determination of whether money is or has been retained in a local charge for services fund contrary to the requirements of 17-2-302 and 17-2-303)</p> <p>Note: For additional information see Compliance Requirement No. 4 on page 4 of this compliance supplement.</p>	<p>The statutes define “local charge for services fund” or “local fund” as an accounting fund maintained by a local government entity for which the exclusive source or revenue is one or more charges for service or interest or other income on the fund.</p> <p>The statutory restrictions do not apply to a charge for services made by one local government entity to another local government entity, a local charge for services fund used only for the replacement of buildings or to pay the costs of other future capital projects, or charges for services deposited in accordance with law into a debt service or bond reserve fund or into the local government’s general fund.</p> <p>If the charges for service are deposited to a local charge for services fund, the county may not maintain a cash balance in the local charge for services fund greater than twice the annual appropriation for that year as shown in the local government entity’s initial operating plan. If the cash balance exceeds this limitation for more than 60 days, counties are required to reduce a charge for service or charges for service within 120 days after the end of the 60-day period until the cash balance in the fund complies with the statutory limitations. Exceptions to this limitation are at 17-2-302(2).</p>
<p>Clerk of District Court Fees</p> <p>25-1-201 & 202 and others as noted in CNTY-14</p>	<p>See CNTY-14 – Counties - County Offices/Boards for listing of fees collected by the Clerk of District Court, and their distribution. Generally, all fees collected by the clerk of district court must be forwarded to the State for deposit in the state general fund. There are, however, certain exceptions that are discussed at CNTY-14.</p>

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Clerk and Recorder Fees 7-4-2511(2) 7-4-2631 through 2637	<i>See CNTY-14 – Counties - County Offices/Boards</i> for listing of fees collected by the Clerk and Recorder, and their distribution. Generally, all fees collected by the Clerk and Recorder are deposited to the County General Fund. There are, however, exceptions that are discussed at CNTY-14.
Concealed Weapon Permit Fees - \$50.00 (renewal \$25.00) Fingerprinting - \$5.00 45-8-321 & 322	May be retained by the sheriff and used to implement the concealed weapon permit process responsibilities under Sections 45-8-321 through 45-8-325, MCA. To General Fund since sheriff's department expenditures are paid from that fund.
Convenience fee for electronic services 7-5-2133	County departments are allowed to collect a fee on selected electronic government services in order to provide funding for the support and furtherance of electronic government services. Although not specified in Statute, the fee collected may be deposited to the fund used to pay for costs related to the provision of the electronic services.
CREB Project revenues 90-4-1203 & 1209 Clean Renewable Energy Bonds (CREBs) may be issued by local governments for various projects that are intended to produce sufficient energy to provide for the local government's needs, allowing excess energy to be sold through the grid. See <i>CNTY-8</i> for additional information. Effective May 3, 2007	If energy produced through a CREB project is in excess of the local government's own needs, energy may be sold through the grid, as provided in 90-4-1203 (3) & (4). Revenues from energy sales may be used for purposes set out at 90-4-1209 including: (a) debt service of any bond issues related to the project, (b) maintenance of the reserves required by bond covenants, (c) payment of expenses of operation and maintenance of the project, and (d) to provide a reserve for improvements to the project. The local government may, after these requirements have been fulfilled, transfer remaining project revenues to its general fund.
Custom Combine Fee in Lieu of Tax - \$35/machine 15-24-301(5)	Distributed as other personal property taxes.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
District Court – Fines, Forfeitures, Court Costs, Supervisory Fees & Surcharges	<i>See CNTY-14 – County Offices/Boards – “Clerk of District Court”</i> for listing of compliance requirements related to the collection and distribution of fines, forfeitures, court costs, supervisory fees, and surcharges imposed by District Courts.
Driver’s License - Reinstated When Held in Lieu of Bail – Administrative Fee \$25 61-5-214(2)(b) & (4)	Collected by courts and deposited in County General Fund
Driver’s License Fees: Basic - \$5/year Motorcycle endorsement - \$.50/year, Commercial - interstate – \$10/year Commercial - intrastate - \$8.50/year Renewal Notice - \$.50 Replacement - \$10 61-5-111 & 114; 61-5-121 See also CNTY-3, Page 52 of 52	To County General Fund: 2.5% of basic driver’s license fee 3.34% of motorcycle endorsement fee 2.5% of commercial driver’s license fee (CDL) 3.75% of replacement license fee Deposited in the following BARS Fund #’s, and Remitted to State on Monthly County Collection Report to Department of Justice/Motor Vehicle Division: Remainder of basic license fee: Fund #7441 Remainder M/C endorsement fee: Fund #7442 Remainder of CDL: Fund #7443 Remainder of replacement fee: Fund #7440 100% of renewal notice fee: Fund #7447
Election Filing Fees 13-10-202 7-4-2511	County General Fund
Fair Receipts: Lease/rental of fairgrounds & buildings 7-21-3406 & 3409 District fair receipts (when two or more counties combine to form a Fair District) 7-21-3435	County Fair Fund District Fair Fund of the County in which the District Fair is to be held.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
<p>Fines</p> <p>3-10-601(3) – general distribution of fines collected in justice courts</p> <p>46-18-235 – general distribution of fines collected in district courts</p>	<p><i>See CNTY-14 – Counties - County Offices/Boards</i> for listing of fines collected by Justice and District Courts, and their distribution (found at “Justice of the Peace” and “Clerk of District Court”, respectively).</p> <p>Generally, all fines collected in District Court are distributed to the State to be deposited to the state general fund, and all fines collected in Justice Court are distributed 50% to the county general fund and 50% to the state general fund. There are, however, exceptions that are discussed at CNTY-14.</p>
<p>Forest Fire Protection Assessments (assessed against owners of forest lands)</p> <p>76-13-207 & 209</p> <p>Note: 2007 Legislation changed the terminology from “forest lands” to “wildlands”.</p>	State (BARS Fund No. 7564)
<p>Gifts, Donations, Devises, Bequests, etc.</p> <p>7-8-103</p> <p>22-1-309 (library)</p>	Separate trust fund or fund designated by donor. Must be used for the particular purpose specified. If no particular purpose mentioned, shall be used for the general support, maintenance, or improvement of the county (general fund).
<p>Health Care Facilities - (Hospitals/Medical Assistance Facilities/Long-Term Care Facilities, etc.) & Boarding Homes for the Aged (County-Owned)</p> <p>Revenues:</p> <p>7-34-2201</p> <p>7-34-2301</p> <p>Lease Rental Receipts</p> <p>7-34-2204</p> <p>7-34-2303</p>	<p>No specific fund designated by statute. To the Healthcare Facilities (Hospital, Nursing Home or Retirement Home) Fund or other fund which pays health care facility operating expenses.</p> <p>To County General Fund. If, however, bonds have been issued under 7-34-2411 to finance the costs of a health care facility or boarding home, the rental receipts may be applied to the payment of the principal or interest on the bonds.</p>

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Identification Cards (Dept. of Justice) (fee not in excess of \$8) 61-12-503 & 504	Deposited in BARS Fund #7553, and Remitted to State on Monthly County Collection Report to Department of Justice/Motor Vehicle Division
Impact Fees - Electrical Generation Facility 15-24-3001 to 3007	A county may assess an impact fee against an electrical energy generation facility that is exempt from taxation under 15-24-3001. The fees must be distributed to the county and impacted school districts. The county's portion of the fees should be deposited in the Electrical Generation Impact Fund (BARS Fund No. 2898), may be retained in that fund for any time period considered appropriate by the governing body, must be invested, and may be expended for any purpose allowed by law. If the electrical generation facility is located within the jurisdictional areas of multiple local government units, the governments may enter into an interlocal agreement for purposes of distribution of the fees. See Section 15-24-3005 through 3007 for detailed information regarding the impact fees, allowable rates, and operation of the required funds.
Impact Fees – Public Facility Capital Improvements 7-6-1601 to 1604	Local governments may impose impact fees upon new development to fund all or a portion of the public facility capital improvements affected by the new development. Impact fees must be in compliance with the provisions of 7-6-1602, and may not include operation or maintenance costs or costs of correcting existing deficiencies. The impact fees should be deposited in BARS Fund No. 2399, and should be invested, with all interest accruing to the fund. Fees should be spent in accordance with the impact fee ordinance or resolution.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Impact Fees - Wind Generation Facility 15-24-3004 to 3007	A wind generation facility is subject to an initial local governmental and local school impact fee for the first 3 years after construction begins. The impact fee may not exceed 0.5% of the total cost of construction. Fees should be deposited in the Electrical Generation Impact Fund (BARS Fund No. 2898). Money retained in the fund may not be considered as fund balance for the purpose of reducing mill levies, and must be invested as provided by law, and the interest must be credited to the fund. Money may be expended from the fund for any purpose allowed by law.
Interest Income: Interest on Surplus Deposits or Investments – If not otherwise provided by law or by the terms of a gift, grant, or donation 7-6-204 (Note: Specific provisions for interest income deposited to other funds are listed below.) Interest on 911 Emergency <i>Basic</i> - 10-4-303 <i>Enhanced</i> - 10-4-312 Interest on Airport Reserve Fund 67-10-402(4) & (5) Interest on Basic county tax for elementary equalization 20-9-212(12) & (13) Interest on Basic county tax for high school equalization 20-9-212(12) & (13)	County General Fund, except: <ul style="list-style-type: none"> • interest paid and collected on the deposits or investments of the funds of a volunteer fire district or department, (Effective 6/1/2007, fire service area, or county fire department) must be credited to the account of that fire district, service area or department • interest paid and collected on the deposits or investments of any fund separately created and accounted for by a county may be credited to the separately created fund proportionately to each fund's participation in the deposit or investment. Fund making the investment - To be used only for the purposes prescribed for basic and enhanced 911 emergency funds. Airport Fund, to be used for the operations and maintenance budget of the airport. Elementary County Equalization Fund BARS Fund No. 7530 - Remit to State High School County Equalization Fund BARS Fund No. 7532 - Remit to State

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Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Interest Income - continued:	
Interest on Bond Proceeds 7-7-2112	Sinking (debt service) Fund
Interest on Capital Improvement Fund 7-6-616	Capital Improvement Fund
Interest on County tax in support of the school transportation schedules 20-9-212(12) & (13)	BARS Fund No. 7820 Distributed to school districts within the county – deposited to school transportation funds
Interest on County tax in support of the elementary & high school district retirement obligations 20-9-212(12) & (13)	BARS Fund No. 7830 (H.S.) & Fund No. 7840 (Elem.) Distributed to school districts within the county – deposited to school retirement funds
Interest on Fair Commission Capital Improvement Fund 7-21-3413 & 7-6-616	Fair Commission Capital Improvement Fund
Interest on Hard-Rock Mine Trust Reserve Account 7-6-2225	County Hard-Rock Mine Trust Reserve Fund BARS Fund No. 2895
Interest on Impact Fees - Electrical Generation Facility 15-24-3007	County Electrical Generation Impact Fund BARS Fund No. 2898
Interest on Impact Fees – Public Facility Capital Improvements 7-6-1603	County Impact Fees Fund BARS Fund No. 2399
Interest on Impact Fees – Wind Generation Facility 15-24-3007	County Electrical Generation Impact Fund BARS Fund No. 2898
Interest on Library Depreciation Reserve: 22-1-307	Library Depreciation Reserve Fund (County capital projects fund)

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Interest Income - continued:	
Interest on Metal Mines License Tax * Account (*Prior to 7/1/05 – account and fund titled Metal Mines Tax Reserve) 7-6-2226	County Metal Mines License Tax *Account Fund BARS Fund No. 2896
Interest on Oil and natural gas accelerated tax fund 15-36-326	County Oil and Natural Gas Accelerated Tax Fund BARS Fund No. 2897
Interest on Predatory Animal Control Fund 81-7-303 (sheep) & 81-7-603 (cattle)	Predatory Animal Control Funds BARS Fund Nos. 2153 (sheep) & 2155 (cattle)
Interest on Protested Tax Payments AGO # 60, Vol. 41; 15-1-402	Protested Tax Fund (County agency fund) until disbursed to applicable funds or taxpayer
Interest on Registered Warrants 7-6-2701(6)	Sinking (debt service) Fund
Interest on Road and Bridge Capital Improvement Fund 7-14-2506 & 7-6-616	Road and Bridge Capital Improvement Fund
Interest on R.S.I.D. Bond Proceeds Construction Fund. 7-12-2173	Construction account of the improvement district fund from which the proceeds were withdrawn. After improvements have been paid, remaining proceeds & interest to Sinking (debt service) Fund.
Interest on R.S.I.D. Maintenance Fund 7-12-2175	Fund making investment

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Interest Income - continued: Interest on R.S.I.D. Sinking (Debt Service) Fund 7-12-2175 Interest on Sinking (debt service) Funds 7-7-123 Interest on Volunteer Firefighter's Disability Insurance Fund 7-6-621 Effective May 14, 2007	Fund making investment Sinking (debt service) Fund Volunteer Firefighter's Disability Insurance Fund BARS Fund No. 2373
Interlocal Agreements (Receipts) 7-11-108	Determined by the terms of the interlocal agreement
Justice of the Peace - Fees 3-10-601 7-4-2511 25-31-112	See CNTY-14 – Counties - County Offices/Boards Generally, all fees collected by the Justice of the Peace are deposited to the County General Fund
Justice of the Peace - Fines, Penalties, Forfeitures & Assessments of Costs: 3-10-601 46-18-235(2) Also, see CNTY-14 – Counties - County Offices/Boards – for listing of compliance requirements related to the collection and distribution of <u>surcharges</u> imposed by Justice Courts.	See CNTY-14 – Counties - County Offices/Boards Generally, all fines, penalties, forfeitures and cost assessments collected by the Justice of the Peace are distributed 50% to the State for deposit in the state general fund, and 50% to the county general fund. . There are, however, exceptions that are discussed at CNTY-14.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Juvenile Delinquency Intervention (Contribution from parents or guardians covering all or part of costs paid by the county for court-ordered placement of juvenile) 41-5-1525	No fund specified in statute. We recommend that revenue be deposited in the fund that originally paid for the costs for which the contribution is made.
Juvenile Placement and Youth Court Intervention and Prevention Allocations 41-5-113, 41-5-130, 41-5-132 & 41-5-2012	<p>The <u>State Department of Corrections (DOC)</u> allocates to each district court (youth court/juvenile probation office) a budget for <u>juvenile placements and services</u>. The actual funding resides with the DOC, and is disbursed by DOC to the various contracted service providers. If the county is a service provider, this funding will be receipted into the county as a contracted charge for service, rather than as an intergovernmental revenue. The unspent portion of this juvenile placement budget is sent to the <u>Court Administrator Office</u>, for the purpose of funding <u>youth court intervention and prevention</u> programs. As with the juvenile placement allocations, this funding resides with the Court Administrator. If the county is a service provider for youth court intervention and prevention purposes, this funding will be receipted into the county as a contracted charge for service.</p> <p>These allocations should be receipted in as BARS revenue source #3410XX, and may not be used for the purposes listed at 41-5-113. State procurement laws apply to expenditure of these funds.</p>
Lease of County Property (not acquired by tax deed) 7-8-2231 & 2232 A.G.O. No. 33, Vol. 40	May be deposited in county general fund. May be used for any county purpose, including maintaining or preserving leased property. (If the sale of a county building is not being attempted, the board of county commissioners may use monies obtained from tenants in the county-owned building to defray the operational and maintenance costs of such building.)

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Library Fines and Charges (<i>See CNTY-14</i>) Title 22, Chapter 1, Part 3, MCA	No specific fund designated by statute. Normally deposited to library fund if library operated through a separate library special revenue fund, or to general fund if library operated through the county general fund.
Library Gifts, Donations, Grants, Devises, Bequests, etc. 22-1-309	Must be used for specific purpose designated. They shall be kept separate from regular library funds and are not subject to reversion at the end of the fiscal year.
Liquor License Fees 16-4-503 AGO # 112, Vol. 17	County General Fund
Livestock - Per Capita Fee 15-24-921 & 925	100% to State – BARS Funds No. 7512 (sheep) & No. 7510 (all livestock except sheep)
Motor Vehicle Fees & Taxes	See Motor Vehicle Fees/Taxes and Distribution Schedule at end of this Compliance Supplement
Nontax Revenue of \$25 or less 7-6-2207	County General Fund, unless earmarked for a specific fund.
Nursing Home Receipts	See “Health Care Facilities” above
Park Dedication (Subdivision) 76-3-621	No specific fund designated by statute. Funds must be used for the development, acquisition or maintenance of parks to serve the subdivision. No more than 50% of the dedicated money may be used for park maintenance. Since use is restricted, it is preferred that the moneys be deposited to a separate Park Fund.
Planning Boards Fees 76-1-410 Effective May 8, 2007 Donations and grants 76-1-408	No specific fund designated by statute, although because use is restricted to planning purposes, should be deposited to separate BARS Planning Fund No. 2250. <u>Fees:</u> Counties that have adopted a growth policy with an infrastructure plan may assess fees as part of subdivision applications or zoning permits. Fees may not exceed \$50 (residential) or \$250 (commercial). <u>Donations and Grants:</u> To be used for the purpose designated by the donor.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Predatory Animal Control Program - Per Capita License Fee 81-7-303 (sheep) & 81-7-603 (cattle)	County Predatory Animal Control Funds BARS Fund Nos. 2153 (sheep) & 2155 (cattle) Must be expended only for the county's predatory animal control program.
Property Taxes	See CNTY-2, Budgets
Public Administrator Estate Monies (<i>See CNTY-14</i>) 72-15-205	Public Administrator's Trust Fund
Public Administrator - Escheated Estates 72-14-204	State (BARS Fund No. 7561)
Refunds	To the fund from which the original payment was made
Rentals, Sale of Maps, Etc.	Deposit to fund that accounts for expenses of the service provided.
Resort Tax (applies only to those areas which have been designated as resort areas by the Dept. of Commerce) 7-6-1501 to 1509	Petition or resolution required by Section 7-6-1504, MCA, must state the tax rate (up to 3%) & purposes that may be funded by resort tax revenues. Voter approval is required. Revenue must be expended for the purpose stated in the resolution that established the resort area.
Restitution Payments (When victim's location is unknown) 46-18-250	Deposited to the county restitution fund (a trust fund). Money in this fund may be used to: <ol style="list-style-type: none"> (1) Pay the victim when the victim's whereabouts become known. (2) Provide payments on behalf of offenders who are ordered to pay restitution but, due to circumstances beyond their control, are unable to. The offender may perform community service, for which the victim shall receive an amount equal to the minimum hourly wage. (3) Refund money to the state crime victims' compensation and assistance account if payments have been made to or on behalf of the victim from this account.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Rodent Control receipts (If rodent control district created) 7-22-2221 through 7-22-2226	Rodent Control District Fund. To be used only for district administrative costs and expenses of establishing and implementing a rodent abatement program.
Sale of County Property (Not acquired by tax deed - real or personal) 7-8-101 7-8-2211 & 2220 7-8-2308	To any fund that is in the best interest of the county, at the discretion of the county commissioners.
School Districts: Basic County Tax for Elementary Equalization (33 mills) 20-9-331 & 20-9-212 15-1-402(4)(b) protested Basic County Tax for High School Equalization (22 mills) 20-9-333 & 20-9-212 15-1-402(4)(b) protested County Tax in Support of the Transportation Schedules 20-9-212 & 20-10-146 County Tax in Support of the Elementary and High School District Retirement Obligations 20-9-212 & 20-9-501 Guaranteed Tax Base Payments 20-9-368	State (BARS Fund No. 7529, including protested portion) (BARS Fund No. 7530 for associated non-levy collections, including interest) State (BARS Fund No. 7531, including protested portion) (BARS Fund No. 7532 for associated non-levy collections, including interest) Apportioned to the school districts in the county, on the basis of the apportionment determined by the County Superintendent of Schools. Apportioned to the school districts in the county, on the basis of the apportionment determined by the County Superintendent of Schools Received from OPI in support of the retirement fund budgets of the elementary and high school districts in the county. Although not a revenue to the County, BARS revenue account No. 335300 is used to facilitate the County Treasurer's recording of these payments.

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
School Districts - continued: Entitlement Transportation Block Grant 20-9-632 State Equalization Aid Levy	Received from OPI, for countywide school transportation, in November and May of each year. Although not revenue to the County, BARS revenue account No. 335310 is used to facilitate the County Treasurer's recording of these payments. See State Levies section below.
Septic Tank Permits 50-2-116(2)(i) Effective October 1, 2007 , septic tank permit fees no longer required to be deposited with the county treasurer.	No specific fund designated by statute. Normally credited to County General Fund, Health Fund, or other special revenue fund, depending on which fund is used to finance the septic tank inspection and permitting program.
Sheriff's fees (including mileage, if vehicles provided & maintained by county) (See <i>CNTY-14</i>) 7-32-2141 7-32-2143(2)	General Fund (If county has instituted a public safety levy, then fees are deposited to the Public Safety Fund – BARS Fund No. 2300.)
State Airport Tax - 90% (Applies only to West Yellowstone Airport in Gallatin County) 15-23-106(1)(c) 67-1-303	State – BARS Fund No. 7699-1
State Levies: State Equalization Aid Levy (40 mills) 20-9-360 15-1-402(4)(b) - protested (levied on all taxable property, except vehicles and vessels for which a tax or fee is required)	State (BARS Fund No. 7527, including protested portion) (BARS Fund No. 7528 for associated non-levy collections)

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
<p>State Levies - continued:</p> <p>University System Tax Levy (6 Mills) (levied upon the taxable value of all real and personal property subject to taxation) 15-10-107 15-1-402(4)(b) - protested</p> <p>Vo-Tech Millage (1 ½ Mills) (levied on all taxable real and personal property in Cascade, Lewis & Clark, Missoula, Silver Bow & Yellowstone counties only) 20-25-439 15-1-402(4)(b) protested</p>	<p>State (BARS Fund No. 7521, including protested portion) (BARS Fund No. 7522 for associated non-levy collections) (BARS Fund No. 7523 for total from tax increment financing districts, including protested portion)</p> <p>State (BARS Fund No. 7533, including protested portion) (BARS Fund No. 7534 for associated non-levy collections)</p>
<p>Tax Deeds: (<i>See CNTY-15</i>)</p> <p>Issuance Fees (\$25) 15-18-211(2)(a) 15-17-911(4)(a) 7-6-2131</p> <p>Lease of Tax Deed Lands 7-8-2306(3)</p> <p>Royalty Interest Proceeds 7-8-2306(2)</p> <p>Sale of Tax Deed Lands 7-8-2306(1)</p>	<p>County General Fund</p> <p>Distributed on current year's tax levies</p> <p>County General Fund, except that the county commissioners may allocate not more than 50% to the County Road Fund.</p> <p>County General Fund is first reimbursed for expenditures made from it in connection with the procurement of the tax deed and holding of the sale. If there is a balance remaining after the payment to the General Fund, and the balance is: - continued on next page-</p>

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SOURCE AND DISTRIBUTION OF COMMON REVENUES/RECEIPTS - continued:	
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Local and Other Collections	
<p>Tax Deeds - continued: <i>(See CNTY-15)</i></p> <p>Sale of Tax Deed Lands – continued: 7-8-2306(1)</p>	<p>a. in excess of the aggregate amount of all taxes and assessments accrued against the property for all funds and purposes, without penalty and interest, then as much of the remaining proceeds must be credited to each fund or purpose as each fund or purpose would have received had the taxes been paid before becoming delinquent, and all excess must be credited to the county general fund; or</p> <p>b. less in amount than the aggregate amount of all taxes and assessments accrued against the property for all funds and purposes, without penalty or interest, the proceeds must be prorated between the funds and purposes.</p>
University System Tax Levy	See State Levies section above.
<p>User Charges:</p> <p>General Fees for Services 7-6-4013 (Note: Also see Charges for Services Deposited to a Local Charge for Services Fund above.)</p> <p>Solid Waste Management District Fees for Services (If such a district has been established) 7-13-231 through 7-13-234</p>	<p>No specific fund designated by statute. Such charges should be deposited to the fund that makes the expenditures related to the services provided.</p> <p>Solid Waste Management District Fund</p>
Vo-Tech Levy	See State Levies section above.

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Source and Statute, Rule or Regulation	Distribution/Use
Local and Other Collections	
Veterans' Cemetery – gifts, grants, donations, and/or charges 7-35-2205 Effective October 1, 2007	County Veterans' Cemetery Fund BARS Fund No. 2241
Weed Spraying & Chemical Sales (<i>See CNTY-14</i>) 7-22-2142(4)	Noxious Weed Fund
Wildland Fire Protection Assessments (assessed against owners of wildlands) 76-13-207 & 209 Note: 2007 Legislation changed the terminology from “forest lands” to “wildlands”.	State (BARS Fund No. 7564)